

DEPARTMENT OF PERSONNEL ADMINISTRATION**BENEFITS DIVISION**

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DPA is pleased to provide these audit findings, recommendations, and information regarding the current status of the State's Peace Officer/Firefighter (POFF) Retirement Plan. The intent of this audit is to:

1. Determine the number of Career Executive Assignment (CEA) and Exempt positions or individuals incorrectly placed in the POFF retirement plan.
2. Determine the number of new POFF positions that may be created due to the passage of Senate Bill 1496 that clarifies POFF retirement effective January 1, 2009.
3. Develop a database that identifies accurate retirement categories for State CEA and Exempt positions that can be regularly updated and audited to ensure we remain in compliance with the laws.

Although this audit report focuses on CEA and Exempt positions, it includes POFF retirement enrollment information for Excluded, Management and Supervisory positions. This information will be beneficial when making determinations.

Summary of Findings

This audit provides the most current POFF retirement issues, enrollments, and findings. Over the past several years, a number of issues have been identified and are outlined in the introduction section of this audit report. The audit includes detailed retirement reports for each agency. These reports will be provided to the individual agencies, State Controller's Office, and the California Public Employees' Retirement System. Sharing this audit report will ensure all POFF retirement enrollments are in agreement.

The results of this audit indicate the State's POFF retirement plan is in good standing. A total of 1035 CEA and Exempt positions were audited. There are currently 176 CEA and Exempt employees (83 positions) enrolled in POFF retirement. Out of 176 POFF enrollments, 10 employees (9 positions) are incorrectly placed in POFF retirement. These individuals will remain under POFF retirement until they separate from their positions, at which time the positions will revert to the miscellaneous retirement category. There will be 2 new employees (2 positions) eligible for POFF retirement effective January 1, 2009.

Please note that these findings reflect the new provisions under Senate Bill 1496, signed by the Governor on September 27, 2008, which will be effective January 1, 2009. The number of employees incorrectly placed in POFF retirement is minimal. Also, the number of new positions created due to the passage of SB 1496 is minimal.

Future Audits

Now that DPA has identified the status of the State's POFF retirement enrollments, DPA will be working closely with SCO and CalPERS staff to ensure our POFF retirement records continue to remain in good standing. Audits will be conducted on a regular basis and documented.

Reports to the Legislature

As required by law, DPA will continue to provide the Legislature with an annual report of newly approved POFF positions. The report must be provided by July 1 of each year.